

THE EMERGENCY FOOD ASSISTANCE PROGRAM

POLICY AND PROCEDURES MANUAL

FOOD BANK ORDERING AND ACCEPTANCE PROCEDURES

A. General

The purpose of this Section is to establish procedures for food banks to order and accept USDA-donated commodities made available under The Emergency Food Assistance Program (TEFAP). Commodity shipments ordered by the State Agency (Family Support Division) will generally be in trucklot quantities for delivery to one, two or three food banks directly from USDA's contracted vendor/producer.

B. Requesting Commodities

1. As USDA advises the State Agency of the types, quantities and shipping periods of commodities available, food banks will be surveyed in order to solicit their preferences and/or requests. This includes commodities purchased and charged against the annual State Agency "entitlement" (i.e. dollar fair share) and "bonus" commodities offered to the State Agency without regard or charge to the entitlement balance.
2. USDA, to the extent practical and appropriate, makes food purchases based on:
 - a) agricultural market conditions;
 - b) preferences and needs of states and eligible recipient agencies; and
 - c) preferences of recipients.
3. Food banks shall order/accept only such quantities of USDA-donated commodities that can be fully distributed without waste or loss within a six month period (unless a longer period is approved by the State Agency).

C. Accepting and Receipting for USDA Shipments

1. Prior to accepting and unloading a shipment, it should be inspected for damage and/or out-of-condition product.

If the shipment is found to be damaged and/or out-of-condition, notify the State Agency immediately (573) 751-4328. Additional documentation and action may be required by USDA. When unloading, segregate damaged or out-of-condition commodities from other foods.

2. Each shipment of commodities must be carefully checked for possible shortages and overages before the foods are accepted. Thoroughly inspect all foods before they are put into storage.
3. Examine refrigerated products upon arrival to be sure that temperatures are adequate and that the products are in good condition. This is especially essential for frozen foods.
4. Foods in cans or plastic containers should be examined to determine if there are any damaged, disfigured or discolored cans or cases which might indicate spoilage, leakage or deterioration.
5. Foods subject to infestation, such as grain products and raisins, need to be thoroughly inspected. Even though foods are free of infestation when shipped, they may arrive badly infested due to excessive transportation temperatures or the use of an infested freight car or truck.
6. Shipments cannot be refused for any reason without the prior approval of the State Agency.
7. While all orders for shipments to food banks are requested to be palletized, these requests are not binding on the shipper.
8. Caution should be used when receipting for truck shipments. Once the trucker's delivery receipt is signed and has been noted as to any damage and/or shortage, it is final. Do not sign or initial a delivery receipt for the product delivered before it has been determined whether there is damage, shortage, and/or overage received in the shipment. It is imperative that any damage, shortage, and/or overage received in a particular truck be noted accordingly on the delivery receipt on which you are receipting for the shipment.
9. The completion of an FNS-57, "Report of Shipment Received Over, Short and/or Damaged" after the food bank has signed a clear delivery receipt (no notation of shortage and/or damage) for the truck driver will not nullify the previously signed clear delivery receipt. When USDA's Food and Nutrition Service (FNS) presents a claim to the truck line, the carrier may furnish the signed clear delivery receipt as proof that no loss or damage occurred while the product was in their trailer. In these instances the food bank will be held liable for the loss, since by signing a clear delivery receipt, USDA's rights to recovery from the carrier have been compromised.
10. When a shipment is received direct from USDA's contracted vendor/producer, it is necessary for the food bank to complete form FD-30, "Notice of Order Placement and Shipment Received". If a shipment is short, over and/or damaged, it will be necessary to complete form FNS-57, "Report of Shipment Received Over, Short and/or Damaged". These reports and the "bill of lading" shall be submitted within five days to:

Family Support Division
Food Distribution Unit
P.O. Box 310
Jefferson City, MO 65102-0310

11. For additional shipment information, refer to Food and Nutrition Service (FNS) Instruction 709-5 “Shipment and Receipt of Foods” at the end of this Section.

D. Damages

In accepting USDA-donated food shipments with damages, it is essential that correct amounts be reported on the form FD-3, form FD-30, form FNS-57, and other related shipping documents (delivery receipt or bill of lading). In general, the way USDA shipments with damages are handled is based on the amount damaged.

E. Extensive Damages – 50% or More

1. If a shipment is received and damage appears to be extensive, the food bank shall report this information immediately to the State Agency.
2. Do not unload the shipment until instructions are received from the State Agency. In these cases, the State Agency will contact USDA and advise them of the nature and extent of damages and await their instructions.
3. Depending on the kind of damage, USDA could reject the entire shipment back to the carrier. In other cases, an inspection may be made by a USDA official. In this situation, the inspector will determine if a significant part of the damage can be salvaged.

F. Damages – Less than 50%

1. If lesser amounts (up to 49%) are damaged, this should be annotated on the delivery receipt or bill of lading by indicating the total units (cases or bales) received and the number of units with damages.
2. Obtain agreement as to the count and obtain the signature of the truck driver or the carrier’s representative on the delivery receipt or bill of lading.
3. Generally, no part of the shipment should be rejected to the carrier or loaded back on the truck.

G. Recouping Damaged Commodities

1. To the maximum extent possible, damaged commodities should be recouped or salvaged. Remove dented, leaky or swollen cans from cases. With cereal

products, remove broken or torn bags from bales. Any undamaged product can then be repacked in remaining cartons or containers.

2. Any unsalvageable product shall be destroyed in such a manner that it cannot be consumed by humans or livestock.

H. Reimbursement for Expenses in Salvaging Damaged Foods

Food banks can be reimbursed for their out-of-pocket expenses which they incur in the salvage of USDA-donated foods. The food bank which performed the services may claim reimbursement from USDA through the State Agency. In these cases, however, reimbursement may not also be claimed on the Record Of Expenditures Under TEFAP Financial Assistance (FD-32D).

1. Out-of-Pocket Expense: This refers to the costs which the food bank bears that are over and above its usual costs.
2. Acceptable Items for Reimbursement: These include charges incurred by a food bank which are in addition to normal storage and handling charges, such as the hiring of workers specifically for the purpose of reworking and repackaging damaged foods, costs of containers for repackaging damaged foods, and hauling costs incurred in the disposal of unsalvageable goods.
3. Non-Acceptable Items for Reimbursement: Labor performed by regularly employed personnel during the normal work day, repair of bracing, leveling off cargo by an intermediate consignee, or unloading dunnage, debris, and other foreign matter connected with the inbound shipment shall not be considered out-of-pocket expense.
4. Claims for Reimbursement: Bills for expenses shall be submitted to the State Agency on form FSA-21, "Public Voucher – Commodity Programs".
5. The food bank must maintain it's copy of the FSA-21 on file for a period of at least three years following the federal fiscal year (October 1 – September 30) to which it pertains.

I. Notice of Order Placement and Shipment Received (Form FD-30)

1. This is a dual purpose form used:
 - (a) to notify food banks that an order has been placed with USDA by the State Agency on its behalf and;
 - (b) for the food bank to notify the State Agency that the shipment has been received and of the quantities received in good condition.
2. The Notice of Order Placement and Shipment Received (FD-30) shall be transmitted to the food bank by the State Agency. This form will indicate the

delivery destination, food item, packaging, delivery order number, shipping or delivery period, quantity allocated to each food bank, special storage instructions, etc.